(Rs. Lakhs)

Year	No. of Show Cause Notices	Amount involved
2004-05	285	125234.10
2005-06	498	38272.42
2006-07	380	10881.45

(c) Constant vigil is maintained and appropriate action as warranted under the law is taken in all such cases of hawala money transactions.

Setting up of specialized wholesale banking company

990. SHRI EKANATH K. THAKUR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government have proposed to set up a specialized wholesale banking company in a separate country with a mature financial system in order to give a shape to the idea of using the burgeoning forex reserves for country's infrastructure development; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Government has proposed to set up a Special Purpose Vehicle (SPV) in a separate country with a mature financial system in order to give a shape to the idea of using the burgeoning forex reserves for country's infrastructure development. Government is examining the legal and regulatory aspects in consultation with RBI and the details have not yet been chalked out.

Opening of bank branches in minority concentrated areas

991. SHRI S.M. LALJAN BASHA: Will the Mininter of FINANCE be pleased to state:

(a) whether RBI has identified various minority concentrated areas to permit opening of more branches;

(b) the number of minority populated areas which RBI has identified;

(c) the number of branches which have been authorized to open;

(d) the number of such branches which will be opened in minority populated areas giving figure for 2007-08; and

(e) the incentives being given to banks to open branches to help minorities wanting to avail loans?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (e) Yes, Sir. In its circular dated 16.07.2007, the Reserve Bank of India (RBI) has issued a consolidated list of 121 minority concentration districts, having at least 25% of minority population, to Scheduled Commercial Banks specially for monitoring credit flow to minorities.

In their consolidated Master Circular on lending to minorities dated 5.07.2007, the RBI has also advised the banks to take care to ensure that minority communities secure in a fair and adequate measure the benefits flowing from various Government sponsored special programmes. The master circular *inter-alia* envisages creating a separate cell in each bank to ensure smooth flow of credit to minority communities.

As per the revised branch authorization policy of the RBI, Banks are given permission on an annual basis to open branches. Banks are expected to open the branches within one year from the date of letter of authorization.

RBI's inflationary tactics

992. SHRI S. M. LALJAN BASHA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that RBI has fixed 5.5 per cent rate of inflation as a tolerable rate of inflation;

(b) whether Government have agreed with the RBI to treat 5.5 per cent rate of inflation as an economy boosting feature;

(c) which sections of society will benefit from the RBI mandated inflationary rate of 5.5 per cent per annum; and

(d) the steps proposed by Government to protect the common man from RBI's inflationary tactics?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) No, Sir.

(b and (c) Does not arise.

(d) Government and the Reserve Bank of India act in harmony and use fiscal and monetary policy for sustaining growth with macro-economic stability. Higher inflation rates not only endanger macro-economic stability, such rates adversely affect the common man. Containment of inflation, therefore, has remained high on the agenda of the Government. Anti-inflationary policies of the government include strict fiscal and monetary discipline, rationalization of excise and import duties of essential items so that there is no undue burden on the poor, effective supply-demand management of essential commodities through liberal tariff and trade policies, and strengthening the public distribution system.

Investment in stock market

†993. DR. MURLI MANOHAR JOSHI:
SHRI RAJ MOHINDER SINGH MAJITHA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that on the basis of companies registered in Bombay Stock Exchange, the total investment is estimated to be 1009 billion US dollar at present;

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† Original notice of the question was received in Hindi.